

Finance Committee

April 22, 2020

6:15 p.m.

The Finance Committee Meeting was held via conference call through the WebEx platform.

Alderman, staff, the press, and the public could attend the meeting by calling 312.535.8110 and using Access Code 627-859-027 and Password Code 5272553.

Chairman Tom Ptak called the meeting to order at 6:00 p.m.

ROLL CALL:

Present: Alderman Ptak, Alderman Demes, Alderman Lavieri, Alderman Jeppson
Alderman Herndon joined the meeting at 6:20 p.m.

Others present: City Clerk Carrie Brown, Finance Director John Duncan

A quorum was present.

There were no questions on the bills.

In regard to the FOP Sergeants and Lieutenants contract proposal, Finance Director John Duncan explained that the proposed FOP contract has a two- year term. He reminded the committee that although the AFSCME and Fire unions have four-year contracts, the City only negotiated two- year contracts with the two police unions...Patrolmen and Sergeants and Lieutenants. The reason for this was that two years ago, we were pursuing a possible Shared Services between police departments and did not want to be under a four- year contract in the event we had to come back and renegotiate. Basically, the strategy now with both FOP unions is to get an extension of the current two-year contract with minimal changes to language. The Sergeants and Lieutenants have agreed to this. The term is two-years which will allow the contract to expire at the same time as the AFSCME and Fire Union contracts. The raise amount in this contract is the same as in the other two contracts. The only other change that is economic in nature, is that the clothing allowance was increased by \$300. The City pays for bullet proof vests, however guns, tasers, clothing etc. is the responsibility of the officer. A few years ago, the Patrolmen negotiated this increase, so this simply brings the Sergeants and Lieutenants up to the same level, which Mr. Duncan believed to be \$1,100. The other language change was suggested by labor Attorney Tom Melody and is a result of the Janus case in the State of Illinois concerning fair share. This language states that if an employee does not want to be part of the union, they do not have to be. The Patrolman negotiations are still on-going so there is nothing to be considered at this time in regard to that contract.

Alderman Lavieri asked if the clothing allowance rolls-over or do they have to spend it or lose it. Finance Director Duncan stated that the allowance is issued as a check each year.

Finance Director Duncan stated that in regard to possible Covid-19 impacts on revenues in the City, the 2021 Fiscal year budget has not been approved yet, although we will enter the Fiscal Year on May 1. Once in the fiscal year, we have a few months to approve the budget. Mr. Duncan said that most of the budget is done, but cannot be finalized until property tax numbers are received from the County. Covid-19 will impact sales tax revenue due to the closure of stores, bars and restaurants. In addition, the reduction in gas sales, the price reduction of gas and the loss of taxes received from gas sales are another revenue stream that will be affected. In addition, video gaming revenue will most likely be close to zero for the month of April. He continued by saying that although not Covid-19 related, the

closing of the US Silica sand mining plant will result in the City losing an additional \$200,000 in revenue.. Mr. Duncan estimates approximately a \$500,000 impact on the General Fund. Alderman Lavieri pointed out that the reduction in gas sales will also affect the MFT funds. Mr. Duncan explained that MFT funds are a year behind, so the impact will not be felt until next year. This year's program has already been budgeted for.

Alderman Ptak asked Mr. Duncan if he thought expenses will remain the same. Mr. Duncan stated that it will depend what happens with our Public Works and Park staff. Typically, the City brings on summer help to assist with grass cutting and work in the parks. At this time, we are using our full-time staff to handle those duties. He believes most other costs will stay constant.

Alderman Demes asked how our public works department is being staffed at this time. Mr. Duncan stated that each team is working three ten-hour days, but are still receiving full pay. However, they are being paid straight time for those hours. The only overtime being paid currently is for call-outs after hours for water main breaks, etc. Alderman Demes asked if those employees sheltering in place are bringing on any extra expenses. Finance Director Duncan stated that they are not, it is more the concern over the loss of revenue that is the issue.

Alderman Demes suggested that the City put a moratorium on financial donations until we know what our financial situation is going to be. The committee was in agreement with the suggestion.

Alderman Lavieri inquired again about railroad sign charges that were on the last meeting's bills. Finance Director Duncan stated that he spoke to Jeff Bumgarner and thought he had emailed the aldermen with the explanation. Mr. Duncan said he would be sure to forward the email to the aldermen.

The meeting was adjourned at 6:29 p.m.

A handwritten signature in cursive script that reads "Carrie Brown".

Carrie Brown, City Clerk